

WEATHER FORECAST.
Fair to-day; to-morrow fair and
warmer; moderate northeast winds.
Highest temperature yesterday, 55; lowest, 42.
Detailed weather reports on last page.

NATION ASKS WILSON TO REJECT PEACE PLAN; PRESIDENT CONFERS WITH ALLIES ON ANSWER; FRENCH WIN BERRY-AU-BAC, MENACING LAON

LOAN CAMPAIGN HIT BY KAISER'S PEACE FEELERS

Day's Bond Sales Here Fall
to \$39,690,600, Making
Total \$305,789,300.

ONLY 17 P. C. OF QUOTA

Aggregate for Country Is \$1-
328,716,950—Influenza
Hurts the Drive.

Kaiser Bill is hypnotizing the American nation with his peace feelers, believing that there is no real need for subscribing in a hurry to the Fourth Liberty Loan of \$4,000,000,000, according to the official figures of subscriptions for the first seven days of the drive, which were announced yesterday as \$1,328,716,950.

This total is slightly more than half of what should have been raised during this period based on the average daily total needed to put the loan over. The official total announced is also only 22 per cent. of the whole loan, notwithstanding that one-third of the time allotted to the campaign has passed.

The indifference being displayed toward the loan is attributed in Washington to relaxation of efforts by workers and subscribers because of the peace news from abroad. Reports received at the capital from communities throughout the country show that individuals and business firms are inclined to postpone making their subscriptions until late in the campaign, meanwhile watching the progress of the Central Powers' peace offensive.

Wilson Probably Inspired McAdoo. Secretary McAdoo last night issued a statement which said: "Now is the time above all others not to relax but to intensify efforts." This statement is believed to have been suggested by President Wilson, who is represented as feeling deeply that the Fourth Loan should be generously subscribed, both for the actual needs of the Government and for the moral support that this would give the United States in the present situation.

Spreading of the influenza epidemic is interfering with the success of the drive and in many communities sales forces have been forced practically to abandon their drives.

Subscriptions announced officially for the individual Federal reserve districts of the nation follow:

Subscriptions.	Percentage.
St. Louis.....	11.25
Minneapolis.....	11.25
Houston.....	11.25
San Francisco.....	11.25
Chicago.....	11.25
Philadelphia.....	11.25
New York.....	11.25
Cleveland.....	11.25
San Antonio.....	11.25
Kansas City.....	11.25

*This figure does not include subscriptions for the first seven days of the drive reported from St. Louis to have brought the total up to \$141,327,950, or 14 per cent. of the quota.

Kansas City did not begin its drive until yesterday, having devoted last week to advertising the loan. Its subscription for the first day was equal to 95 per cent. of its quota and is considered gratifying.

New York got away to a bad start in the beginning of its second week's drive to raise its quota of \$1,800,000,000, as is shown by the total of \$305,789,300 announced by the Federal Reserve Bank of New York yesterday as the aggregate subscriptions for the first seven days of the campaign. This is equal to 17 per cent. of its quota. The volume of subscriptions for the seventh day was even less than that for the sixth day, and amounted to \$13,690,600, compared with \$42,835,200 for the sixth day of the drive.

The total for the first seven days is \$1,328,716,950 over the subscription quota, calculated during the corresponding period of the Third Liberty Loan, but is less than half of what should have been raised during that time.

Following are the official figures for the city as announced yesterday by the Federal Reserve Bank of New York:

Subscriptions.	Percentage.
New York City.....	11.25
Brooklyn.....	11.25
Queens.....	11.25
Richmond.....	11.25

Sub-Districts' Subscriptions.

Sub-Districts.	Subscriptions.
Manhattan.....	\$1,328,716,950
Brooklyn.....	\$1,328,716,950
Queens.....	\$1,328,716,950
Richmond.....	\$1,328,716,950

Subscriptions from the eight sub-districts of the Second Federal Reserve District follow:

Sub-Districts.	Subscriptions.
Buffalo.....	\$1,328,716,950
Syracuse.....	\$1,328,716,950
Albany.....	\$1,328,716,950
Schenectady.....	\$1,328,716,950
Rochester.....	\$1,328,716,950
Watsonville.....	\$1,328,716,950
San Jose.....	\$1,328,716,950
San Francisco.....	\$1,328,716,950

Continued on Seventh Page.

KAISER TURNS TO PRAYER AS DEFEAT DRAWS NEARER

Preservation of Dynasty Uttermost, He Falls Into Religious Mania—Unrest Throughout Empire Spreads Rapidly.

Special Cable Despatch to The Sun from the London Times Service.

THE HAGUE, Oct. 7.—The Dutch Maandblad, Grootdied, publishes an article in which it says that the panic which broke out in Berlin following the news of the Bulgarian surrender was much more serious than first reports indicated, and that the panic feeling had spread to the rest of the empire. "An article in the Cologne Gazette," says the Dutch writer, "is under the anxious heading 'Berlin is Not German' and clearly shows that the Berlin panic caused others throughout Germany. It is noticeable, according to trustworthy Socialists, that the Berlin panic had its origin in the imperialist speech, and that in spite of the democratic soothing syrup that is being passed out to the population the great unrest continues."

"Among the German revolutionary elements, who have become very impatient, it is said the Kaiser has fallen into a sort of religious mania, and that he spends most of his time praying for the preservation of his dynasty. This state of affairs became evident at main headquarters weeks ago, when Marshal Foch's great victories caused a conflict between the Kaiser on one side and the Crown Prince and Ludendorff on the other. The Kaiser is reported to have said then: 'This is the merited reward for the booty and his advisers.'"

"It is said that when the Kaiser visited the Chancellor's residence in connection with the Crown Council no one saluted him. This is not to be taken as a mark of the people's anger, but as a token of the mingled feeling of dissatisfaction and despair. When this feeling first became apparent four workmen in a Borgess factory who distributed anti-Hohenoller literature were arrested. The crowd witnessed their arrest silently without saying a word against any of the four."

AMSTERDAM, Oct. 7.—Excited crowds in the streets of Berlin tore special editions of the newspapers containing the speech of Prince Maximilian, the new Chancellor, from the hands of the news-dealers last evening.

Everywhere shouts of "Peace has come! Peace at last!" were heard. Theodor Wolff in Sunday's Berlin Tageblatt thus describes the scenes in the German capital, and adds: "One would like to share this hope, and yet for the present at least one has to be dubious and sceptical."

This note of doubt pervades a large section of the German press, apart from the Pan-German irreconcilables. Herr Wolff asserts that the powers of yesterday in Germany are openly hostile to Prince Max's demarche, while secretly rejoicing that there is no responsibility.

So menacing has the French advance become that the Germans are reported to have set fire to Laon, which has long been the key position for all the German operations, defensive and offensive, within radius of many miles of that city. The fact that the city is burning indicates an intention of the Germans to withdraw northward. Berry-au-Bac is approximately seventeen miles southeast of Laon.

Chemin des Dames Plank. The Chemin des Dames defences, to which the Crown Prince's armies retreated after their defeat in the Marne salient, is now flanked at both ends by the French. It has been slow and painful work to get a footing in this stretch of high ground, but their efforts have succeeded at last. Gen. Mangin has been hammering at the western end of this great natural defensive position practically from the time the Germans established themselves there after their retreat from the Marne.

Lately Gen. Gouraud, assisted by the American First Army, began a great converging movement on the east, and this apparently is about to be crowned with success. The French and their American allies have pushed forward slowly but surely through ground that was well suited for defence and particularly difficult for the attackers, until at last they forced the Germans to fall back that the cathedral city of Rheims was freed from the menace of German artillery.

While the French and Americans have been fighting with unusual intensity around Rheims, the British, at the north end of the battle line, are pushing closer toward Lille and Douai, in addition to increasing the depth of their penetration of the Hindenburg positions between Cambrai and St. Quentin.

Further reports indicate that German plans for the abandonment of the territory around Lille and in western Belgium continue uninterrupted. Fires have been observed in numerous villages and allied fliers report long transport columns moving northward and eastward from all that territory still held by the Germans in invaded France and Belgium.

North of the Scarpe the British have advanced their line four miles, capturing the villages of Blioc, St. Vaast and Oppy. North of St. Quentin heavy fighting continued all day and resulted in the capture of Boussois, Tilloy Farm and many fortified woods by the Allies. Stout resistance was encountered at all these places, many of the German defenders preferring to stand and die rather than disrobe exploit or to hold the ground at all costs. Several hundred prisoners were captured. British and American planes are piling every possible obstacle in the way of the Germans who are trying to retreat from northern France. Last night more than thirty tons of explosives were dropped on retreating transport columns, on moving troops and on gun batteries. During the day eighty-one enemy airplanes were shot down by the French alone.

Reports from all the allied war offices show that the offensive is being kept up at all points in the long line from the sea to Verdun, and that the Germans are not being allowed an instant's breathing space. Marshal Foch is determined, apparently, that the harassed enemy shall not have an opportunity to transfer reserves—if any are left—as a means of starting a counter-offensive.

The French leader realizes that a counter blow at this time, while it would lack military importance, might have big political significance, inasmuch as the German rulers could point to it as proof that the allied thrust had ended and that soon Germany's military leaders would be on their feet again.

Realizing this, the French chieftain is keeping them on the run all along the line.

MANGIN GAINS TEN MILES IN DAY'S BATTLE

Intention of Enemy to
Abandon Laon Shown
by Fires in City.

CROWN PRINCE IN PERIL

Chemin des Dames Stronghold
Flanked by Gouraud With
Aid of Americans.

LONDON, Oct. 7.—Marshal Foch and his Generals evidently regard the German and Austrian peace proposals as being absolute zero in interest, judging from the vigor with which they are proceeding in the task of freeing France and Belgium from the invader and from the success attending their latest efforts.

Today's military activity centred chiefly with the French, who are pushing northward rapidly from Rheims. To-night's War Office report from Paris announces that Gen. Mangin's men are now at Berry-au-Bac, fourteen miles northwest of Rheims on the Aisne. This represents an advance of ten miles in the last twenty-four hours on the broken German front.

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40 complete gas masks are made in Madison Square Garden every day. Movie Show, Madison Square Garden, New York. Adm. 60c—40c.

U-BOAT BUILDING NOW AT PEAK, IS GEDDES REPORT

First Lord of British Ad-
miralty on Visit to
Washington.

FLANDERS BASES CLOSED

Submarines Now Compelled to
Take Long Northern Route
to the Atlantic.

Special Despatch to The Sun.

WASHINGTON, Oct. 7.—With the arrival here to-day of Sir Eric Geddes, First Lord of the British Admiralty, and the British Naval Mission accompanying him, new facts bearing on the submarine campaign were disclosed. It became known that the production of submarines in Germany in recent months has increased greatly and is now larger than at any time since the war began. But the defensive measures are succeeding so well that this increased production has been more than offset. Previous declarations by Sir Eric still held good, that the submarine is held but not mastered.

Sir Eric is here on a short visit to return that of Franklin Roosevelt, Assistant Secretary of the Navy, and to discuss naval matters with Secretary Daniels and his staff. Admiral Duff, another member of the British Admiralty, accompanies him.

Admiralty Flag Is Shown. The flag of the Admiralty was flown on the ship which brought them here, its first appearance outside of British waters. The flying of the flag signifies that a board of the Admiralty is on the ship and fully empowered to negotiate without referring decisions to the Home Office for approval or disapproval.

A new light was thrown by the British visitors on the reported German plan to abandon the submarine bases in Flanders. It appears that with the Straits of Dover now closed to the submarines through the measures put into effect in the last few months the usefulness of these bases has disappeared. All submarines must now seek the Atlantic by the northern route, for which Wilhelmshaven is a better base.

While not seeking to disparage the effect of the campaign on these bases, the British experts made it plain that the Flanders flotilla of submarines, to which a large proportion of the losses used to be due, no longer has reason to exist.

Drop Seven Tons of Bombs Daily. The British navy has been dropping seven tons of bombs every day upon these bases for some time, which was another reason why the Germans decided to give them up. The blockade ships are still in the channel, but the Germans cut a hole through the wall and managed to get some of their submarines out.

By compelling submarines to take the longer route to reach the Atlantic Sir Eric said their efficiency had been reduced at least one-third. Another cause for the reduction in sinkings outside of the successful defensive measures are the poorer crews with which the U-boats are now manned.

The British coast patrol is now so effective that the submarines have moved out into the Atlantic. This has likewise reduced the number of sinkings, but the average size of ships sunk has increased somewhat. Also it was disclosed at the interview to-day that sinkings at night are now as numerous as those in the daytime, a new feature of the submarine campaign.

It was pointed out by Sir Eric that the convoy system which has so successfully achieved its purposes necessarily has reduced the number of vessels to be used for offensive purposes against the submarines. Germany has realized, he said, that if the submarine was to continue to be a factor at all it would only be through a material increase in the number of new submarines turned out. In the last few months she has concentrated her efforts on this plan.

Continued on Second Page.

Praises American Navy.

In a statement to-night Sir Eric said: "My visit to the United States, in company with Vice Admiral Duff, the Assistant Chief of the Naval Staff at the Admiralty, is in response to a most cordial invitation extended to us by the Secretary of the United States Navy. Mr. Daniels intimated to me recently that a visit of representatives of the British Board of Admiralty to discuss certain matters concerning the naval situation would be very welcome to the Navy Department and himself."

"Personally, I have the added pleasure of renewing my acquaintance with the United States, where as a young man I passed some strenuous years learning lumber and railway work and making many good friends."

60 complete gas masks are made in Madison Square Garden every day. Movie Show, Madison Square Garden, New York. Adm. 60c—40c.

Turkey's Peace Plea Sent Through Spain

PARIS, Oct. 7.—The German propaganda service in Berlin announced to-day that Turkey, through Spain, has sent a note to President Wilson to the same effect and at the same time as the communications forwarded by Germany and Austria-Hungary.

CONSTANTINOPLE, via Basle, Oct. 7.—The Turkish Parliament will open its sessions October 10 in the presence of the Sultan.

Effort to Put

ONUS ON ALLIES

Austrian Explanation Says
Wilson Is Appealed to as
a Sole Power.

'NOT POLITICALLY BOUND'

'Much Calumniated Central
Powers Are Pursuing No
Imperialistic Policy.'

AMSTERDAM, Oct. 7.—An elucidation of the peace offer of the Central Powers is published by the Vienna newspapers. The article, which is explained as emanating from "well informed circles," reads as follows:

"It is first to be emphasized that this step by Austria-Hungary, Turkey and Germany is not to be regarded as a decision taken suddenly under the stress of military events. It constitutes, rather, in the history of our peace policy the last link in the chain of a logical and continual evolution, regard being paid at the same time to the latest internal political developments in Germany."

"As is known, the point of departure of our peace policy was Baron Hutter's note of December, 1916. The step then taken was of a very vague character. The conditions were not described, but only indicated in broad outlines."

"In the Burian note of December, 1916, the Austro-Hungarian Government, jointly with Germany, Turkey and Bulgaria, addressed the Entente Allies through the neutral Powers, offering to negotiate for peace on terms which were not stated."

"In the course of the development the conditions have become crystallized. During February, March and April expressions regarding a general and just peace without annexations or compensation came into currency."

"Subsequently the idea of establishing an international court of arbitration and a reduction of armament was discussed, and, further, the principle of freedom of the seas was proclaimed, and, finally, the principle was set forth that economic wars and economic oppression after the war must be prevented. Out of these guiding principles arose the present peace programme."

"All these points, it will be recalled, were accepted by Count Cernin (formerly Austrian Foreign Minister), in speeches and interviews as a suitable basis for peace negotiations, and finally received the approval also of the German Reichstag, so that uniformity in the conception of the allies (Teutonic) thereby found expression."

"Then followed the peace note of Pope Benedict, whose proposals and fundamental ideas were accepted by us as forming an acceptable basis. In accord with President Wilson in his note of January 5, 1918, in his fourteen points made proposals and proclaimed principles which substantially accorded with the programme of the Central Powers."

Accepted by Two Chancelleries.

"Count Cernin and Count von Hertling described President Wilson's proposals, apart from a reserve regarding certain points, as a suitable basis for peace. The Austro-Hungarian delegations and the German Reichstag have described their attitude toward these proposals in a similar manner. It should be pointed out that the Central Powers have not accepted the principle of the 'four big powers' as a basis for peace."

Mothers Send Letters
Thanking "Sun" Fund

Whether the smoke fund has helped their own boys or not the mothers are altruistically grateful because other mothers' boys have received, and so solace from smokes sent through THE SUN Tobacco Fund.

The shorter hours of office and other work on account of the influenza ought to make more smokers and more certificates in the stores where they are given with tobacco purchases. Read of the progress of the fund and its future entertainments on page 9.

WARNING! THE SUN TOBACCO FUND has no connection with any other fund, organization or publication. It employs no agents or solicitors.

BRITISH AWAIT WILSON'S MOVE IN PEACE OFFER

Foreign Office Will Let
President Answer as
He Got Proposal.

NO ARMISTICE EXPECTED

Press Takes View That Ger-
many Is Not Yet Ready
for Surrender.

Special Cable Despatch to The Sun.

LONDON, Oct. 7.—The British Foreign Office, THE SUN correspondent is informed, takes the position that as the German peace proposals are addressed personally to the President of the United States the European allies will leave it to him to reply in the way he sees fit. But whatever form his reply may take there is no doubt as to the general agreement of the Allies on the subject.

The Evening News, usually well informed, says Premier Lloyd George, Chancellor Bonar Law, Lord Robert Cecil and Lord Milner are prepared to deal promptly with the German offer. It has also been learned that if the reply of the Allies does not exactly demand unconditional surrender as a preliminary to any peace negotiation it will be of such a nature that Germany will be unlikely to accept without further military effort.

It is believed that while the primary purpose of the British attitude is to extricate the German armies from their present peril few think she would accept unconditional surrender. As regards the German colonies, while the programme announced by the majority parties in the Reichstag includes a demand for their restoration they were not mentioned in the new Chancellor's speech. Their future, as Lloyd George has repeatedly announced, will be dealt with at the peace conference.

No Power Over Hindenburg.

It is noteworthy that the note from Austria did not ask an armistice but suggested that negotiations be opened while hostilities continued, whereas the German note asked an immediate cessation of hostilities. The discrepancy is in itself suspicious, inasmuch as Prince Maximilian, the new German Chancellor, while considered as not being in sympathy with the military party, has no power over Hindenburg or Ludendorff and is under the Kaiser's dictation. The new Government of Germany cannot be seriously considered as representative of the people, who are likely to defy the military party.

It is manifestly impossible for the Allies to grant an armistice while the Germans occupy French or Belgian territory or delude themselves into thinking a league of nations is possible while Germany is still controlled by the Hindenburgs and Ludendorffs. Nor is it suggestive of any change of heart in Germany that while Prince Maximilian is pleading for peace French and Belgian towns should be put to the torch.

The entire British press is in accord with THE SUN's editorial, which has been widely printed in England, and which declared that "from the Hun the only act which the Allies will trust is unconditional surrender."

Germany Must Show Good Faith.

There is not a dissenting note in the demand that the President be allowed to deal with the "blind rulers of Prussia," and that no single issue of the war had assumed such concrete shape. In the minds of the people or stirred them more than this. Whether or not the President will refer to this cannot be foretold. While he has frequently expressed views thoroughly in accord with this, at the same time it is recognized here even by advocates of this policy that he is handling a delicate and difficult situation, and there might be reasons known only to the President why a specific declaration of this kind could not be made at this time.

But whether the President's answer discusses this point evidence is accumulating to show that it will be forced to the front as an issue in Congress before a peace treaty shall be signed. It is significant that even in neutral diplomatic circles to-night there is not the slightest doubt expressed that the President's answer will be a negative one and that any hopes which Germany may entertain of a cessation of hostilities on any terms short of absolute surrender are about to be dashed.

The President, upon whom the attention of the world has now been focussed, spent the entire day at the White House, foregoing his customary

Continued on Second Page.

President Expected to Reply Today to Note From Germany.

SECLUDED IN HIS STUDY

No Doubt Whatever as to
Absolute Refusal to Con-
sider an Armistice.

ENEMY MUST SURRENDER

Wilson Accepted as Spokes-
man for Entente Allies and
Message Will Be Historic.

Special Despatch to The Sun.

WASHINGTON, Oct. 7.—There is every reason to believe to-night that President Wilson's answer to the Central Powers will be forthcoming some time to-morrow. No doubt whatever is entertained that this answer will be an absolute rejection of the proposal for an armistice and a refusal to consider compromise in any form.

Exchanges of views between the President and Entente Premiers have been going on all day preliminary to the drafting by the President of his reply. This indicates that the President is complying with the request contained in the German proposal to the extent of consulting the Allies and that the President's reply will be for them as well as for the United States.

In Touch With the Allies.

Because of the care which obviously is required in the wording of this momentous communication it is assumed here that the President's reply will be known and approved by the Entente nations before it is delivered to the enemy. This, however, will be but a matter of hours.

The cable between this capital and Europe is virtually a three party wire to-night, with Great Britain, France and Italy at the other ends in conversation with the President of the United States.

The President is expected to make it clear to Germany that the United States and the Entente Allies will not cease hostilities until the Central Powers lay down their arms and show their readiness to accept the conditions which the President and the Allies deem essential for the peace and security of the world.

Whole Country Favors Stand.

Sentiment in favor of such a declaration was everywhere in evidence to-day. Messages from all over the country poured into the White House appealing to the President to stand firm. In the Senate there was no divergence of opinion as to the course the President should pursue, nor was there any suggestion that the President might follow any other course than that unanimously suggested. This course in effect demands unconditional surrender of the Central Powers as a prerequisite to peace.

In many quarters strong sentiment appeared to-day in favor of this nation through its spokesman again emphasizing its refusal to treat with the present rulers of Germany and Austria and to insist upon dealing with responsible representatives of the enemy peoples worthy of trust.

Is Already on Record.

It was pointed out by advocates of this policy that the President is already on record in refusing to deal with the "blind rulers of Prussia," and that no single issue of the war had assumed such concrete shape. In the minds of the people or stirred them more than this. Whether or not the President will refer to this cannot be foretold. While he has frequently expressed views thoroughly in accord with this, at the same time it is recognized here even by advocates of this policy that he is handling a delicate and difficult situation, and there might be reasons known only to the President why a specific declaration of this kind could not be made at this time.

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